



WESTERN AREA WATER SUPPLY AUTHORITY

Mr. Joseph Morrisette, Director
North Dakota Office of Management and Budget
600 E Boulevard Ave
Bismarck ND 58505-0001

May 15, 2020

Re: UPDATE: Western Area Water Supply Authority Corona Virus Relief Funding

Dear Mr. Morrisette:

May 11, 2020, WAWSA submitted a letter detailing shovel-ready projects that will keep North Dakota employed. Since our last submission, the following events have occurred:

WAWSA hosted two bid openings, May 7th, and May 14th, 2020, the lowest two bidders on both projects are companies local to the Bakken shale who previously installed pipeline in the oil and gas industry. However, these are companies that have limited experience in water line installation, but with lower bids, WAWSA, and our engineering firm, would be able to provide greater construction oversight, overriding any experience issues that would generally render them unqualified.

The bids received in this time were ranged between 17 and 24 percent lower than the engineer's estimate.

The State Water Commission subcommittee meeting ended with little optimism that funding will be available from the Revolving Trust Fund to construct projects that have already been bid or are currently being advertised for bid.

In June of 2019, WAWSA received approval from the State Water Commission for the following projects:

Proposed System Improvements/Expansion	Estimated Project Cost	Miles of Pipe
Stanley Rural Distribution – Part II	\$5,360,000	44
System I Expansion – Spring Creek/Co. Rte. 37	\$4,535,000	41
North 200K Rural Distribution Phase II	\$4,000,000	58
Service to Stanley – Phase II	\$14,435,000	17
East White Earth Rural Distribution Alternates	\$7,560,000	80
West White Earth Rural Distribution Alternates	\$3,000,000	31
29 Mile Rural Distribution	\$9,555,000	161
Totals	\$48,445,000	432
Allocated RTF Funding	\$2,476,000	
Unallocated Project Funding	\$45,969,000	

*Note: Williston Water Treatment Plant Expansion Design was removed from project list in previous submission.



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To date, each project has been designed, easements obtained, and bid packages have been compiled for advertisement. Two existing bulk users (Stanley and Ross) are expecting expanded service while 350 new rural and one bulk user (North Prairie Regional Water District) are anticipating clean drinking water from the Williston Regional Water Treatment Plant. Likewise, construction companies have already made arrangements to provide work to local citizens who might otherwise be laid off.

As we presented in our last letter, CARES funding would provide the following benefits to the local economy and state as a whole:

1. Put oil and gas pipeline work crews in northwest North Dakota currently unemployed back to work.
2. Reduce the debt burden and water service rate increases for WAWSA and our Member Entities.
3. Reduce the projected budget shortfall for the Resources Trust Fund by eliminating or reducing WAWSA's funding request from the fund.

We greatly appreciate your consideration and assistance in providing opportunities to keep the skilled workers of North Dakota working. With the current state of Oil and Gas revenues, we will not be able to move forward with the projects without CARES funding. If you have any questions or need additional information on any of the projects, please do not hesitate to contact me at office number 701-774-6605 or on my cell 701-609-0450.

Regards,

Tami Madsen, Executive Director
Western Area Water Supply Authority

cc: Reice Haase, Sr Policy Advisor, Office of the Governor
Cory Chorne, PE, Advanced Engineering and Environmental Services, Inc.